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World Production and Trade

United States
Department of
Agriculture

Foreign
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Weekly
Roundup

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The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

GRAIN AND FEED

The AUSTRALIAN Wheat Board (AWB) recently announced the sale of 800,000 tons of wheat to CHINA, its first sale to China for October-September 1985/86 shipment. The AWB now expects to ship about 1.3 million tons of wheat to China during 1985/86, compared with 2.3 million tons in 1984/85. Australian sales to China now appear likely to be far below 1984/85 levels, which may be an indication that other suppliers will have more opportunity to export wheat to China. China's wheat imports are forecast to fall to 7.0 million tons in July-June 1985/86 from an estimated 7.5 million tons in 1984/85.

The EUROPEAN COMMUNITY (EC) recently authorized the export of 67,000 tons of corn with a subsidy of \$70 per ton against its special tender of 150,000 tons for shipment to the Iberian Peninsula, Switzerland and Austria. The establishment of this unusual tender seems to be part of a French effort to export some 600,000-700,000 tons of surplus, poor-quality corn to neighboring countries. The EC has been a major exporter of wheat and barley (17 million tons of wheat and 7 million tons of barley in 1983/84), but seldom exports appreciable amounts of corn.

CHINA's Deputy Minister of Commerce Jiang Xi has reportedly stated that China will become a net exporter of grain this year for the first time. (The Chinese consider soybeans a grain.) China has been a major wheat importer over the past few years, but soaring production has allowed imports to be drastically reduced, and has made China the world's largest wheat producer. Between July-June 1982/83 and 1984/85, wheat imports fell from 13 million tons to 7.5 million tons, the lowest level since 1976/77. The Chinese trade position in corn has also undergone a fundamental shift over the past year because of record production and internal transportation constraints. In past years, China has only exported several hundred thousand tons of corn annually, whereas for October-September 1984/85 Chinese corn exports are estimated to jump to 5 million tons. January-December 1985 rice exports are estimated to be 1 million tons. Chinese corn exports in 1985/86 are forecast to drop back to 3.5 million tons and 1986 rice exports to 900,000 tons because of expected lower production.

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DAIRY, LIVESTOCK AND POULTRY

Due to changes in the dairy reporting schedule, the publication date for World Dairy Production has been changed to November 14.

SINGAPORE's 1985 pork production is forecast at 75,800 tons, 12 percent above 1984 due to herd culling, according to the U.S. agricultural trade officer in Singapore. Smaller farms are selling their entire herds in response to the government's termination of their production licenses. The Singapore government plans to eliminate all pig farms by 1988. Long-range plans also call for poultry production to be phased out but thus far definite dates have not been announced. Poultry production in 1985 is expected to be unchanged from 1984.

SYRIAN poultry meat production in 1985 is forecast at 75,000 tons, unchanged from the 1984 and 1983 levels, according to the U.S. agricultural trade officer in Baghdad. The poultry sector was the fastest growing sector in agriculture in the early 1980's. Feed shortages caused by a drought and low meat prices are the reasons poultry meat production did not increase in 1984. In 1985, feed prices have returned to normal levels, but demand for poultry meat continues to be very weak. Further shortages of parent stock have caused a sharp rise in broiler chick prices while prices for poultry meat have fallen below government guidelines.

In MEXICO, abundant forage and feed supplies due to favorable rainfall during the past 12 months and higher cattle prices in the first half of this year are encouraging cattlemen in Mexico to begin rebuilding their beef cow herds, according to the agricultural counselor in Mexico City. Beef production in Mexico is forecast to increase 4 percent this year to 1.379 million tons and 3 percent in 1986 to 1.423 million tons. Increased domestic demand is the major reason for the expected higher beef production.

TOBACCO

A severe drought last month has reduced tobacco leaf production in YUGOSLAVIA by 22 percent, or 17,000 tons, to 62,000 tons (farm sales weight). Hardest hit are the oriental tobacco producing areas of Macedonia, where production is off 32 percent. Lowered production will most likely mean increased import demand for fermented tobacco and lower oriental tobacco exports. The impact on U.S. tobacco trade will be very small, as the U.S. market supplies mostly flue-cured and burley varieties.

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HONEY

Production of honey in 1985 in SELECTED COUNTRIES is forecast at 637,000 tons, 1 percent more than the revised 628,000 tons harvested in 1984. Production in North America is expected to decrease 5 percent from 1984. Drought conditions in Mexico's main producing state of Yucatan reduced production in that country to 55,000 tons. Canadian honey production for 1985 is forecast at 41,000 tons, 8 percent less than last year. Bad weather in the southern half of the prairie provinces resulted in a lower forecast of yields than last year. Good weather conditions in Brazil boosted projected output 6 percent to 28,000 tons. Honey production in Argentina for the 1985 season is forecast to reach a new record high of 40,000 tons as a result of favorable weather during the harvest season and an expansion in colony numbers.

The USSR, the world's largest honey producer, is expected to harvest 210,000 tons in 1985, 5 percent more than in 1984 as a result of improved weather and an increase in colony numbers. In 1985, losses from varroa disease have abated and a marked improvement in the availability of apiary supplies and services indicate yields well above last year's average. Japanese output for 1985 is placed at 6,200 tons--down slightly from a year earlier because of a continued decline in the number of colonies. In West Germany, 1985 honey production is estimated at 18,000 tons, 2,000 less than last year. Australia is expecting production to reach 24,500 tons, slightly less than last year's 24,700 tons.

U.S. AGRICULTURAL TRADE

U.S. agricultural exports during October-July 1985 totaled \$27.6 billion, down \$4.9 billion (15 percent) from the same period a year earlier. Export volume during the October-July period amounted to 111.5 million tons, down more than 7 percent from the 120.4 million tons exported during the first 10 months of the previous fiscal year.

Commodities experiencing the largest declines during October-July included soybean meal, soybeans, soybean oil, wheat, wheat flour, rice, tallow and cotton. Reductions in both unit value and volume contributed to these declines. While corn exports were up 3 percent in volume, lower unit prices dropped the overall value of corn exports by 14 percent.

In contrast to these declines, increases were noted for grain sorghum, seeds, pulses, peanuts, cottonseed oil, tree nuts, beef and dairy products. Cumulative volume and value data do not include adjustments made to January-May U.S. Census data for Mexico to account for double counting of rail shipments of soybeans and grain sorghum. Double counting of soybeans amounted to \$177 million and 706,000 tons, while that for sorghum amounted to \$56.8 million and 442,000 tons.

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Monthly agricultural trade data for July showed the seventh consecutive monthly decline in export value. U.S. agricultural exports during July 1985 totaled \$1.8 billion, the lowest monthly total since October 1977 (\$1.7 billion). Export volume for the month was 7.1 million tons, off 3.4 million tons (32 percent) from the 10.5-million-ton level of July 1984.

U.S. agricultural imports during October-July 1985 reached \$16.6 billion, up 5 percent from the \$15.8 billion imported during the first 10 months of fiscal 1984. Commodities experiencing the greatest increases included cocoa and products; fresh fruit and fruit juices; beef, pork and veal.

The overall net surplus in agricultural trade during October-July 1985 amounted to \$11.0 billion, down 34 percent from a net surplus of \$16.7 billion during the same period a year earlier.

U.S. Agricultural Trade
(Billion dollars)

	-----FISCAL YEAR-----			-----OCT-JULY-----		
	1984 Actual	1985 Forecast	Percent Change	1984 Actual	1985 Actual	Percent Change
Exports	38.0	32.0	-16	32.5	27.6	-15
Imports	18.9	20.0	+6	15.8	16.6	+5
Trade balance	19.1	12.0	-37	16.7	11.0	-34

NOTE: Due to reporting changes, no import statistics are provided for this month.

U.S. AGRICULTURAL EXPORTS TO ALL DESTINATIONS
OCTOBER 1983 - JULY 1985

COMMODITIES	UNIT	CUMULATIVE TO DATE				CURRENT MONTH (JULY)							
		QUANTITY	VALUE	%	%	QUANTITY	VALUE	%	%				
		10/83-07/84	10/84-07/85	DIF	10/83-07/84	10/84-07/85	DIF	10/84-07/85	DIF				
GRAINS AND FEEDS													
WHEAT & WHEAT FLOUR..	MT	32136,169	5,120,998	-23	24894,923	3,814,705	-26	3708,835	1812,276	-51	559,111	258,840	-54
WHEAT.....	MT	31115,202	4,509,867	-22	24193,493	3,662,362	-25	3627,166	1739,829	-52	537,670	247,153	-54
WHEAT FLOUR.....	MT	1020,967	221,131	-31	701,430	152,343	-31	81,669	72,447	-11	21,441	11,608	-45
RICE.....	MT	1832,598	728,228	-15	1564,361	546,480	-25	159,880	162,981	+2	62,377	56,708	-9
COARSE GRAINS.....	MT	47517,162	7,045,439	+5	49863,673	6,227,448	-12	3846,418	2977,512	-23	574,949	354,534	-38
CORN.....	MT	40831,212	6,128,848	+3	41938,797	5,280,373	-14	3256,408	2425,688	-26	495,919	292,169	-41
GRAIN SORGHUM.....	MT	5095,897	697,174	+35	6855,047	812,554	+17	556,465	470,244	-15	74,517	54,562	-27
BARLEY.....	MT	1570,002	216,602	-33	1058,472	133,691	-38	32,795	81,238	+148	3,907	7,723	+98
OATS.....	MT	11,922	1,575	-50	5,921	830	-58	750	342	-54	156	51	-67
RYE.....	MT	8,129	840	-33	5,436	622	-26	4,395	81	-98	460	29	-94
FEEDS & FODDERS 1/..	MT	5851,512	1,007,438	-10	5244,259	797,186	-21	578,852	404,989	-30	92,522	62,555	-32
PULSES.....	MT	336,242	154,228	+9	365,083	160,711	+4	25,540	29,232	+14	10,787	14,238	+32
BEANS, DRIED.....	MT	202,231	107,559	+17	235,904	118,390	+10	10,073	20,824	+107	5,719	10,568	+85
PEAS, DRIED.....	MT	103,702	32,803	-4	99,919	32,351	-1	12,747	6,319	-50	3,928	2,247	-43
LENTILS, ETC., DRI.	MT	30,305	13,866	-3	28,260	19,970	+44	2,720	2,089	-23	1,140	1,443	+27
OTHER.....	XXX		280,617			331,589	+18				32,701	35,026	+7
TOTAL.....	XXX		14,346,948			11,888,741	-17				1332,445	781,899	-41
OILSEEDS & PRODUCTS													
TOTAL OILSEEDS.....	MT	19202,609	5,949,538	-11	17112,721	4,058,394	-32	1144,607	634,418	-45	362,734	156,119	-57
SOYBEANS.....	MT	17914,306	5,366,232	-12	15752,627	3,715,788	-31	1066,468	522,694	-51	321,681	117,655	-63
SUNFLOWER SEED.....	MT	989,556	381,031	-1	976,553	292,794	-23	59,243	81,031	+38	25,544	22,481	-12
PEANUTS.....	MT	226,653	176,695	+18	266,463	194,388	+10	17,531	23,810	+36	14,742	14,330	-3
OTHER OILSEEDS.....	MT	72,094	25,580	+62	117,078	50,374	+19	1,375	5,983	+335	807	1,653	+105
SOYBEAN MEAL.....	MT	4458,342	1,094,379	-16	3756,381	707,676	-35	261,040	307,307	+18	59,707	50,410	-16
OTHER MEAL.....	MT	177,122	31,977	-25	133,510	17,617	-45	8,001	11,231	+40	1,380	1,294	-6
TOTAL VEG. OILS.....	MT	1249,464	947,020	-9	1137,725	865,845	-9	98,986	102,354	+3	89,381	82,396	-8
SOYBEAN OIL.....	MT	723,392	546,440	-7	674,495	498,285	-9	63,485	79,098	+25	56,649	61,777	+9
SUNFLOWER OIL.....	MT	183,558	123,760	-35	118,823	81,583	-34	1,755	2,639	+50	1,424	2,364	+66
COTTONSEED OIL.....	MT	127,410	88,038	+36	173,809	122,636	+39	13,548	7,935	-11	11,917	5,927	-50
OTHER VEG. OILS.....	MT	215,104	188,782	-21	170,598	158,341	-16	20,198	12,681	-37	19,391	12,328	-36
OTHER.....	XXX		107,467			87,670	-18				10,707	8,545	-20
TOTAL.....	XXX		8,130,379			5,907,150	-27				523,909	298,762	-43
SEEDS.....													
	MT	188,986	278,298	+7	201,611	303,586	+9	10,345	11,790	+14	20,302	21,315	+5
COTTON & LINTERS													
RAW COTTON 2/.....	STB	6043,755	2,112,689	-10	5456,698	1,816,138	-14	387,861	267,942	-31	143,008	85,866	-40
LINTERS 2/.....	STB	111,288	8,532	+52	169,389	20,271	+138	6,800	11,790	+73	645	1,010	+56
SILK.....	STB	1,605	448	---	1,606	472	+5		142			30	
TOTAL.....	STB	6156,648	2,121,669	-9	5627,693	1,836,881	-13	394,661	279,874	-29	143,653	86,906	-40

U.S. AGRICULTURAL EXPORTS TO ALL DESTINATIONS
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		10/83-07/84	10/84-07/85	DIF	10/83-07/84	10/84-07/85	DIF	1984	1985	DIF			
TOBACCO UNMFG.													
BURLEY.....	MT	30,179	41,484	+37	226,487	302,655	+34	565	1,641	+191	4,322	11,835	+174
FLUE-CURED.....	MT	124,528	134,365	+8	881,651	910,331	+3	5,441	3,515	-35	39,439	23,680	-40
FIRE-SUN CURED.....	MT	7,737	5,808	-25	36,158	28,185	-19	472	851	+80	2,302	4,003	+74
MARYLAND.....	MT	1,304	2,260	+73	8,643	14,428	+67	78	382	+392	518	2,225	+329
CIGAR.....	MT	893	1,123	+26	21,280	23,559	+11	43	114	+165	1,067	1,947	+82
OTHER LEAF.....	MT	6,111	3,557	-42	49,883	27,010	-46	532	378	-29	4,323	2,683	-38
STEMS.....	MT	29,141	30,879	+6	48,253	52,871	+10	1,219	2,602	+113	4,015	8,189	+104
TOTAL.....	MT	199,892	219,477	+10	1,272,355	1,360,039	+7	8,350	9,485	+14	55,987	54,563	-3
POULTRY PRODUCTS													
MEAT.....	MT	147,273	160,358	+9	171,491	168,836	-2	15,939	15,971	---	18,973	16,156	-15
BROILER.....	MT	10,685	10,427	-2	15,221	13,136	-14	584	1,344	+130	737	1,195	+62
TURKEY.....	MT	8,137	7,620	-6	10,269	8,483	-17	921	932	+1	1,150	960	-16
OTHER POULTRY MEAT.....	DOZ	20,389	23,841	+17	30,861	31,585	+2	2,707	2,242	-17	3,695	2,849	-23
EGGS.....	MT	6,399	8,974	+40	10,579	15,836	+50	507	1,328	+162	1,408	2,289	+63
EGG PRODUCTS.....	XXX				105,532	91,725	-13				10,038	10,636	+6
OTHER.....	XXX												
TOTAL.....	XXX				343,951	329,600	-4				36,002	34,078	-5
DAIRY PRODUCTS													
NON-FAT DRY MILK.....	MT	212,620	228,732	+8	138,629	142,820	+3	26,283	25,045	-5	16,084	14,977	-7
CHEESE.....	MT	14,383	11,422	-21	28,543	22,544	-21	444	1,454	+227	1,437	2,976	+107
BUTTER.....	MT	38,398	36,231	-6	59,244	54,922	-7	8,268	3,194	-61	11,922	4,079	-66
OTHER.....	XXX				82,593	120,425	+46				7,614	13,177	+73
TOTAL.....	XXX				309,009	340,711	+10				37,057	35,209	-5
LIVESTOCK & PRODS.													
MEAT.....	MT	323,678	322,150	---	709,838	691,688	-3	34,985	35,044	---	68,357	66,830	-2
BEEF.....	MT	86,968	89,226	+3	359,988	389,190	+8	8,394	7,899	-6	34,565	32,709	-5
PORK.....	MT	53,666	37,647	-30	126,376	65,447	-48	3,613	2,973	-18	6,582	5,661	-14
VARIETY.....	MT	183,044	195,277	+7	223,474	237,051	+6	22,978	24,169	+5	27,210	28,460	+5
TALLOW.....	MT	1105,112	943,584	-15	531,777	466,824	-12	103,976	104,067	---	59,006	45,468	-23
LARD.....	MT	27,733	39,122	+41	19,035	24,966	+31	2,733	4,333	+59	2,121	2,135	+1
LIVE CATTLE.....	NO	48,620	99,809	+105	39,603	86,151	+118	7,021	5,619	-20	5,962	6,116	+3
CATTLE HIDES.....	XXX				856,508	865,022	+1				88,493	76,432	-14
FURSKINS.....	NO	15125,001	13346,703	-12	202,210	207,985	+3	472,514	399,816	-15	6,079	6,363	+5
OTHER.....	XXX				487,148	424,802	-13				36,801	31,933	-13
TOTAL.....	XXX				2,846,118	2,767,436	-3				266,818	235,277	-12

U.S. AGRICULTURAL EXPORTS TO ALL DESTINATIONS
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		QUANTITY	VALUE	%		QUANTITY	VALUE	%	
		:10/83-07/84:10/84-07/85:DIF	:10/83-07/84:10/84-07/85:DIF	:10/83-07/84:10/84-07/85:DIF		:1984 : 1985 :DIF	:1984 : 1985 :DIF	:1984 : 1985 :DIF	:1984 : 1985 :DIF
HORTICULTURAL PROD.									
TREE NUTS.....	MT	112,462	302,633	+53	401,734	8,038	26,815	+40	27,049
FRUIT.....			1036,307		973,900		111,921		93,400
FRESH, CITRUS.....	MT	748,372	683,172	-9	368,188	47,392	44,903	-5	27,119
FRESH, NON-CITRUS..	MT	430,409	371,885	-14	253,333	56,671	48,108	-15	34,211
CANNED.....	MT	58,733	50,832	-13	52,690	4,896	3,986	-19	4,181
DRIED.....	MT	91,698	129,231	+1	131,692	7,309	7,608	+4	10,548
JUICES.....	GAL	126,228	188,536	-17	167,997	15,485	11,280	-27	17,341
VEGETABLES,FRESH...	MT	636,522	268,293	-17	211,074	56,951	40,226	-29	16,653
VEG., PREP., PRES...	MT	266,965	245,998	-7	226,565	26,063	22,839	-12	20,811
OTHER.....	XXX:		348,441		358,940		31,834		38,126
TOTAL.....	XXX:		2,201,671		2,172,213		216,989		196,040
SUGAR & TROP. PRODS.									
SUGAR & SWEETENERS..	XXX:		124,548	+9	113,652		7,981	+23	10,535
COFFEE.....	MT	10,304	82,097		80,894	1,010	1,246		8,029
FLAVORING SYRUPS....	XXX:		189,731		143,559		16,106		12,985
OTHER.....	XXX:		280,102		311,576		23,243		26,007
TOTAL.....	XXX:		676,477		649,681		56,389		57,557
GRAND TOTAL.....	XXX:		32,526,875		27,556,039		2689,552		1801,606

NOTE: VALUE UNITS ARE IN THOUSANDS OF DOLLARS. GALLON UNITS ARE IN THOUSANDS OF UNITS. DOZEN UNITS ARE IN THOUSANDS OF UNITS.
 XXX INDICATES QUANTITY TOTALS ARE NOT MEANINGFUL WHERE UNITS OF MEASURE DIFFER.
 --- INDICATES CHANGE LESS THAN 1 PERCENT. *** INDICATES CHANGE GREATER THAN 999 PERCENT.

- 1/ INCLUDES BY-PRODUCTS.
- 2/ STATISTICAL BALE = 480 LBS.

SOURCE: U.S. CENSUS DATA (UNADJUSTED).

TRADE AND ECONOMIC INFORMATION DIVISION
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WASHINGTON, D.C. 20250

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Selected International Prices

Item	:	Sept. 10, 1985	:	Change from	:	A year
	:		:	previous week	:	ago
ROTTERDAM PRICES 1/		\$ per MT		\$ per bu.		\$ per MT
Wheat:						
Canadian No. 1 CWRS-13.5%.		160.50		4.37		+1.50
U.S. No. 2 DNS/NS: 14%....		155.50		4.23		+3.00
U.S. No. 2 S.R.W.		127.50		3.47		+1.50
U.S. No. 3 H.A.D.....		165.00		4.49		0
Canadian No. 1 A: Durum...		N.Q.		--		--
Feed grains:						
U.S. No. 3 Yellow Corn....		116.00		2.95		-1.00
Soybeans and meal:						
U.S. No. 2 Yellow.....		205.90		5.60		-3.10
Brazil 47/48% SoyaPellets		164.00		--		+3.50
U.S. 44% Soybean Meal....		157.00		--		+2.50
U.S. FARM PRICES 3/						
Wheat.....		108.38		2.95		+3.31
Barley.....		60.17		1.31		0
Corn.....		93.31		2.37		-1.18
Sorghum.....		N.Q.		-- 2/		--
Broilers 7/.....		1207.02		--		+1.54
EC IMPORT LEVIES						
Wheat 5/.....		81.40		2.21		-9.15
Barley.....		80.70		1.76		-8.25
Corn.....		64.15		1.63		-8.35
Sorghum.....		88.60		2.25		-5.90
Broilers 4/ 6/ 8/.....		170.00		--		-8.00
EC INTERVENTION PRICES 7/						
Common wheat(feed quality)		137.20		3.73		-6.30
Bread wheat (min. quality)7/		146.65		3.99		-6.80
Barley and all						
other feed grains.....		137.20		--		-6.30
Broilers 4/ 6/.....		1175.00		--		-21.00
EC EXPORT RESTITUTIONS (subsidies)						
Wheat		N.A.		--		--
Barley.....		N.A.		--		--
Broilers 4/ 6/ 8/.....		98.00		--		-5.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Twelve-city average, wholesale weighted average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/Reflects change in level set by EC. N.A.=None authorized. N.Q.=Not quoted. Note: Basis September delivery.